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Dry Conditions Having Slight Impact on Off-season Rice

Report Categories:

Grain and Feed

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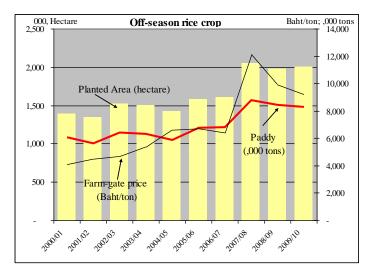
Report Highlights:

The first off-season rice crop has been only marginally affected by dry conditions. The current second off-season crop will likely be at risk as it is mostly irrigated and reservoirs are providing minimum supplies. Total MY2009/10 off-season rice production is reduced to 5.46 million tons, down less than 2.0 percent from the previous year.

The first off-season crop has been only marginally affected by dry conditions based on government assessments on 18,572 hectares, of which 549 hectares were rice crop. There has been good progress in the first off-season crop harvest since early March. Some areas, particularly in the Northeast, expanded their acreage due to attractive farm-gate prices at the time of planting. Also, farmers received direct price insurance program support for the new acres under the government's new support scheme. Local officials also confirmed marginal damage from drought. Primary concerns in the northeast have focused on the availability on quality drinking water during the summer.

The second off-season crop in the central plain (which accounts for half of Thailand's total off-season crop cultivation) is heavily dependent on irrigation and will likely be at risk from dry conditions. Many Many farmers in the central plain have now started to plant the second off-season crop which accounts for only 20 percent of total off-season crop. However they will likely not have sufficient irrigation water from reservoirs. Presently the Irrigation Department has reduced water release by half – a level sufficient only to fight with salt water intrusion. The worse case scenario will be damage of 10 percent percent of the second off-season crop or approximately 50,000 - 60,000 hectares. The MY2009/10 off-season crop will be reduced to 8.28 million tons of paddy (5.46 million tons, milled equivalent) from the previous forecast of 8.42 million tons of paddy (5.56 million tons, milled equivalent) or a reduction of less than 2.0 percent from the previous year (TH0025, "Off-season Rice Crop Update," 2/3/2010).

Acreage expansion to in the first off-season crop supports a positive outlook for overall rice production, despite the dry conditions impact on the current second off-season crop.



End of report.